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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

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11 United States of America

12 UNITED STATES DISTRICT COURT
13 FOR THE CENTRAL DISTRICT OF CALIFORNIA

14 SOUTHERN DIVISION

15 UNITED STATES OF AMERICA,)
16 Plaintiff,)
17 v.)
18 \$806,900 IN U.S. CURRENCY;)
\$233,120.00 IN U.S. CURRENCY,)
19 and \$9,010.00 IN U.S. CURRENCY)
20 Defendants.)

NOV 25 2009 11:09 AM CV 08701

MMM

(AGRx)

VERIFIED
COMPLAINT FOR FORFEITURE

21 U.S.C. § 881(a)(6)

[D.E.A.]

21
22
23 For its claim against the defendants, the United States of
24 America alleges:

25 JURISDICTION AND VENUE

26 1. This is a civil forfeiture action brought pursuant to
27 21 U.S.C. §§ 881(a)(6).

28 2. This Court has jurisdiction pursuant to 28 U.S.C.

1 §§ 1345 and 1355.

2 3. Venue lies in this district pursuant to 28 U.S.C.
3 § 1395(b).

4 PERSONS AND ENTITIES

5 4. The plaintiff in this action is the United States of
6 America.

7 5. The defendants are \$806,900.00 in U.S. Currency;
8 \$233,120.00 in U.S. Currency; and \$9,010.00 in U.S. Currency,
9 (collectively, the "defendant currency").

10 6. The interests of Jay Apsey and CNP International, LLC
11 may be adversely affected by these proceedings.

12 7. The defendant currency is currently in the custody of
13 the United States Marshals Service ("USMS"), where it shall
14 remain subject to this Court's jurisdiction during the pendency
15 of this action.

16 FACTS SUPPORTING FORFEITURE

17 8. On July 1, 2009, in connection with an ongoing
18 narcotics investigation, Anaheim Police Department ("APD")
19 officers and agents of the Drug Enforcement Administration
20 ("DEA") conducted surveillance at the Radisson Hotel in Los
21 Angeles. Investigators observed James Charles Clare exit a Ford
22 Fusion empty handed and enter the front entrance of the Radisson
23 Hotel empty handed. Investigators observed Clare exit the hotel
24 carrying a green duffle bag, which he placed into the trunk of
25 the Ford Fusion. APD approached Clare and requested permission
26 to search the Ford Fusion because investigators believed that the
27 green duffle bag contained money, narcotics or both, based on
28 previous experience with couriers using items such as duffel bags

1 or luggage in an attempt to transport narcotics proceeds in an
2 inconspicuous manner. Clare stated, "there's no drugs, it's just
3 money," and gave consent to search the Ford Fusion.

4 Investigators found the green duffle bag to contain \$233,120.00
5 in U.S. currency.

6 9. During an interview, Clare told the investigators that
7 he was working for a drug trafficking organization based in
8 Canada that purchased narcotics, specifically cocaine, from the
9 United States for distribution to Canada. Clare also provided
10 the investigators with the following specific information:

11 A friend told Clare that he could make extra money picking up and
12 delivering currency in California. Clare was provided a
13 blackberry to receive messages with a phone number for a person
14 Clare would contact. Clare would call the number from the text
15 message and arrange a meeting to pick up currency he believed was
16 narcotics proceeds. He was instructed to get a storage locker to
17 store the proceeds. When Clare arrived at the Radisson Hotel, he
18 called an unknown person and was instructed to go to room 1200
19 located on the 12th floor. Upon arriving at room 1200, Clare was
20 let inside by Nathaniel Edward Morgan. Once inside the room,
21 Clare observed Morgan counting bundles of U.S. currency with a
22 money counter. Morgan told Clare to pick up \$750,000.00. In
23 addition, Morgan told Clare to take the green duffle bag
24 containing \$108,000.00. Clare told Morgan he would return to the
25 room once he loaded the currency in his vehicle. When
26 investigators asked Clare whether he believed the money being
27 counted in Room 1200 was either from the purchase or sale of
28 narcotics, Clare stated "Yeah, what else would it be for?"

1 10. After interviewing Clare, the investigators obtained a
2 state search warrant for Radisson Hotel room number 1200. Morgan
3 had a red duffle bag in his possession containing \$806,900.00 in
4 U.S. Currency, and \$9,010.00 in U.S. Currency was found on
5 Morgan's person.

6 11. On July 6, 2009, a narcotics K-9 gave a positive alert
7 to the presence of narcotics for both duffle bags and one brown
8 cardboard box which were seized during the investigation.

9 12. Based on the foregoing, plaintiff alleges that the
10 defendant currency was used to facilitate one or more violations
11 of Title 21, United States Code, and is therefore subject to
12 forfeiture pursuant to 21 U.S.C. § 881(a)(6).

13 WHEREFORE, the United States prays that:

14 a. due process issue to enforce the forfeiture of the
15 defendant currency;

16 b. due notice be given to all interested parties to
17 appear and show cause why forfeiture should be not be decreed;

18 c. judgment be entered declaring that the defendant
19 currency is forfeited to the United States of America for
20 disposition according to law;

21 d. the United States be awarded all costs, expenses
22 and disbursements; and

23 ///

24 ///


25 ///

26 ///

1 e. the United States of America be awarded any other
2 further relief that the Court deems just and proper.

3 DATED: November 24, 2009

4 GEORGE S. CARDONA
Acting United States Attorney
5 CHRISTINE C. EWELL
Assistant United States Attorney
6 Chief, Criminal Division
STEVEN R. WELK
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Chief, Asset Forfeiture Section
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12 Attorneys for Plaintiff
United States of America
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VERIFICATION

I, Joseph Kolodzey, hereby declare that:

1. I am a Special Agent employed by the Drug Enforcement Administration and am the case agent for the forfeiture matter entitled United States v. \$806,900.00 in U.S. Currency, \$233,120.00 in U.S. Currency, and \$9,010.00 in U.S. Currency.

2. I have read the above Verified Complaint for Forfeiture and know its contents." It is based upon my own personal knowledge and reports provided to me by other law enforcement agents.

3. Everything contained in the Complaint is true and correct, to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed November 24, 2009 in Santa Ana, California.


Joseph Kolodzey

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

I (a) PLAINTIFFS (Check box if you are representing yourself <input type="checkbox"/> United States of America)	DEFENDANTS \$806,900.00 in U.S. Currency, \$233,120.00 in U.S. Currency, \$9,010.00 in U.S. Currency,
(b) County of Residence of First Listed Plaintiff (Except in U.S. Plaintiff Cases):	County of Residence of First Listed Defendant (In U.S. Plaintiff Cases Only): Los Angeles
(c) Attorneys (Firm Name, Address and Telephone Number. If you are representing yourself, provide same.) Frank D. Kortum, Assistant United States Attorney 1400 United States Courthouse, 312 North Spring Street Los Angeles, California 90012 Telephone (213) 894-5710	Attorneys (If Known) COPY

II. BASIS OF JURISDICTION (Place an X in one box only.) <input checked="" type="checkbox"/> 1 U.S. Government Plaintiff <input type="checkbox"/> 3 Federal Question (U.S. Government Not a Party) <input type="checkbox"/> 2 U.S. Government Defendant <input type="checkbox"/> 4 Diversity (Indicate Citizenship of Parties in Item III)	III. CITIZENSHIP OF PRINCIPAL PARTIES - For Diversity Cases Only (Place an X in one box for plaintiff and one for defendant.) Citizen of This State PTF DEF <input type="checkbox"/> 1 <input type="checkbox"/> 1 Incorporated or Principal Place of Business in this State <input type="checkbox"/> 4 <input type="checkbox"/> 4 Citizen of Another State <input type="checkbox"/> 2 <input type="checkbox"/> 2 Incorporated and Principal Place of Business in Another State <input type="checkbox"/> 5 <input type="checkbox"/> 5 Citizen or Subject of a Foreign Country <input type="checkbox"/> 3 <input type="checkbox"/> 3 Foreign Nation <input type="checkbox"/> 6 <input type="checkbox"/> 6
IV. ORIGIN (Place an X in one box only.) <input checked="" type="checkbox"/> 1 Original Proceeding <input type="checkbox"/> 2 Removed from State Court <input type="checkbox"/> 3 Remanded from Appellate Court <input type="checkbox"/> 4 Reinstated or Reopened <input type="checkbox"/> 5 Transferred from another district (specify): <input type="checkbox"/> 6 Multi-District Litigation <input type="checkbox"/> 7 Appeal to District Judge from Magistrate Judge	

V. REQUESTED IN COMPLAINT: JURY DEMAND: ☐ Yes ☒ No (Check 'Yes' only if demanded in complaint.)CLASS ACTION under F.R.C.P. 23: ☐ Yes ☒ No☐ MONEY DEMANDED IN COMPLAINT: \$VI. CAUSE OF ACTION (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)
21 U.S.C. § 881 (a) (6)

VII. NATURE OF SUIT (Place an X in one box only.)

OTHER STATUTES <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities /Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Act <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Info. Act <input type="checkbox"/> 900 Appeal of Fee Determination Under Equal Access to Justice <input type="checkbox"/> 950 Constitutionality of State Statutes	CONTRACT <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	TORTS PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Fed. Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury-Med Malpractice <input type="checkbox"/> 365 Personal Injury-Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	TORTS PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability BANKRUPTCY <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 445 American with Disabilities - Employment <input type="checkbox"/> 446 American with Disabilities - Other <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 Habeas Corpus <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus/Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition FORFEITURE / PENALTY <input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input checked="" type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs <input type="checkbox"/> 660 Occupational Safety /Health <input type="checkbox"/> 690 Other	LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) (405(g)) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS-Third Party 26 USC 7609
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VIII(a). IDENTICAL CASES: Has this action been previously filed and dismissed, remanded or closed? ☒ No ☐ Yes

If yes, list case number(s):

FOR OFFICE USE ONLY: Case Number:

CV09-08701

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET**

AFTER COMPLETING THE FRONT SIDE OF FORM CV-71, COMPLETE THE INFORMATION REQUESTED BELOW.

VIII(b). RELATED CASES: Have any cases been previously filed that are related to the present case? ☒ No ☐ Yes

If yes, list case number(s): _____

Civil cases are deemed related if a previously filed case and the present case:

- (Check all boxes that apply) ☐ A. Arise from the same or closely related transactions, happenings, or events; or
☐ B. Call for determination of the same or substantially related or similar questions of law and fact; or
☐ C. For other reasons would entail substantial duplication of labor if heard by different judges; or
☐ D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

IX. VENUE: List the California County, or State if other than California, in which **EACH** named plaintiff resides (Use an additional sheet if necessary)

☒ Check here if the U.S. government, its agencies or employees is a named plaintiff.

Los Angeles

List the California County, or State if other than California, in which **EACH** named defendant resides. (Use an additional sheet if necessary).

☐ Check here if the U.S. government, its agencies or employees is a named defendant.

Los Angeles

List the California County, or State if other than California, in which **EACH** claim arose. (Use an additional sheet if necessary)

Note: In land condemnation cases, use the location of the tract of land involved.

Los Angeles

X. SIGNATURE OF ATTORNEY (OR PRO PER): _____

Date 11/24/09

Notice to Counsel/Parties: The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet.)

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405(g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405(g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. (g))

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

NOTICE OF ASSIGNMENT TO UNITED STATES MAGISTRATE JUDGE FOR DISCOVERY

This case has been assigned to District Judge Margaret M. Morrow and the assigned discovery Magistrate Judge is Alicia G. Rosenberg.

The case number on all documents filed with the Court should read as follows:

CV09- 8701 MMM (AGR~~x~~)

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge

===== :
NOTICE TO COUNSEL

A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).

Subsequent documents must be filed at the following location:

☒ **Western Division**
312 N. Spring St., Rm. G-8
Los Angeles, CA 90012

☐ **Southern Division**
411 West Fourth St., Rm. 1-053
Santa Ana, CA 92701-4516

☐ **Eastern Division**
3470 Twelfth St., Rm. 134
Riverside, CA 92501

Failure to file at the proper location will result in your documents being returned to you.